Saint Paul Planning Commission City Hall Conference Center 15 Kellogg Boulevard West

Minutes December 5, 2008

A meeting of the Planning Commission of the City of Saint Paul was held Friday, December 5, 2008, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Mmes. Donnelly-Cohen, Lu, Morton; Porter, Smitten, Wencl; and

Present: Messrs. Alton, Barrera, Bellus, Commers, Goodlow, Gordon, Johnson, Kramer,

Nelson, Spaulding, and Ward.

Commissioners

Absent:

Ms. *Faricy and Mr. *Margulies

*Excused

Also Present: Larry Soderholm, Planning Administrator; Lucy Thompson, Patricia James,

Jessica Rosenfeld, Kate Reilly, Emily Goodman, and Sonja Butler, Department

of Planning and Economic Development staff.

I. Approval of minutes November 6, 2008.

<u>MOTION</u>: Commissioner Johnson moved approval of the minutes of November 6, 2008. Commissioner Donnelly-Cohen seconded the motion. The motion carried unanimously on a voice vote.

Approval of minutes November 14, 2008.

MOTION: Commissioner Johnson moved approval of the minutes of November 14, 2008. Commissioner Donnelly-Cohen seconded the motion. The motion carried unanimously on a voice vote.

II. Chair's Announcements

Chair Alton reminded the Commissioners that with the holidays approaching people get busy, but we still need to have a quorum at the upcoming Planning Commission meetings. He reported that the Steering Committee decided the Annual Meeting and election of officers for 2009 would take place at the meeting on January 30, 2009.

Chair Alton also apprised the body of the City Council's action that declared December 3, 2008, as George Edwin Johnson, Jr. Day in Saint Paul in recognition of his leadership in the city and the East Side. Larry Soderholm read the Council resolution and the Commission applauded for Commissioner Johnson, who responded that he is grateful for the opportunities he has had to work for the improvement of his neighborhood and the environment of the city.

III. Planning Administrator's Announcements

Larry Soderholm reported on planning-related business at the City Council for last week and their agenda for next week.

IV. Zoning Committee

NEW BUSINESS

#08-193-631 Javad Feghahati – Re-establishment of nonconforming use for auto repair. 1200 7th Street West, NE corner at Tuscarora. (*Kate Reilly*, 651/266-6618)

<u>MOTION</u>: Commissioner Morton moved the Zoning Committee's recommendation to approve the re-establishment of legal nonconforming use with conditions. The motion carried unanimously on a voice vote.

#08-Juel Fairbanks Chemical Dependency (Blair Avenue) – Conditional Use Permit for transitional housing facility with 6 residents. 1754 Blair Avenue between Wheeler and Aldine. (Sarah Zorn, 651/266-6570)

Commissioner Morton reported that the Zoning Committee laid this case over to its December 11, 2008 meeting.

<u>Minor Zoning Text Amendments</u> – Resolution initiating zoning study for minor text amendments. (*Kate Reilly*, 651/266-6618)

<u>MOTION</u>: Commissioner Morton moved the Zoning Committee's recommendation to adopt the resolution to initiate a zoning study for minor text amendments. The motion carried unanimously on a voice vote.

V. Comprehensive Planning Committee

<u>Parks and Recreation Chapter</u> – Adopt resolution recommending approval to the Mayor and City Council. (*Jessica Rosenfeld*, 651/266-6560)

Commissioner Spaulding said that the staff memo identified areas where the committee recommended revisions to the public hearing draft of the plan. He asked whether additional issues were discussed in committee, where no change is recommended, that would be of interest to the rest of the Commission.

Ms. Rosenfeld said that other items were discussed in committee, but there was nothing very controversial. The Comprehensive Planning Committee decided that the memo to the Planning Commission needed to cover only the issues where it was recommending changes to the public hearing draft.

Commissioner Gordon, chair of the Parks and Recreation Task Force, said the task force worked hard to resolve anything that could have been controversial. At the public hearings the Parks Chapter generated the least amount of controversy. That was testimony to the care the task force and city staff took to produce a document that is fair to all and with all factors taken into

consideration. In terms of suggestions offered in the testimony that did not result in changes to the plan, most of those were changes that the committee felt were already incorporated. And even the changes made by the committee were not all that controversial; they just made for a better plan.

<u>MOTION</u>: Commissioner Donnelly-Cohen moved on behalf of the Comprehensive Planning Committee to recommend that the Parks and Recreation Plan be adopted by the Mayor and City Council as a chapter of the Comprehensive Plan. The motion carried unanimously on a voice vote.

VI. Neighborhood Planning Committee

Chair Wencl had no report.

VII. Communications Committee

Chair Smitten announced that they will be meeting soon to discuss the Annual Report for 2008.

VIII. Informational Presentation

<u>Invest Saint Paul Program Update</u> – Sheri Pemberton-Hoiby, PED staff. (Sheri Pemberton-Hoiby, 651/266-6615)

Sheri Pemberton-Hoiby, PED staff, gave an informational update on the *Invest Saint Paul* Program (ISP), which is the program Mayor Coleman and PED launched 18 months ago for neighborhoods threatened by disinvestment. Ms. Pemberton distributed a copy of the board report that was presented to the City Council and HRA on November 12, 2008. She started her presentation saying that the City has been asked numerous times to go around the state and talk about *Invest Saint Paul*, about the program's activities and how it got started. She said a good description is available on the City's web page.

Ms. Pemberton said for the last three months, staff has been focusing on the upcoming Neighborhood Stabilization Program (NSP) from HUD and doing amendments to the City's Consolidated Plan, which outlines how the City will use whatever funds it receives under the various HUD programs. The City will receive 4.3 million dollars from Housing and Economic Recover Act funds. Under the NSP, it will be used for both commercial and residential property improvement, especially for vacant and foreclosed properties. Ramsey County projects that there are 3,100 foreclosures this year, of which about 2,800 are in Saint Paul. She described the characteristics of healthy neighborhoods, and how vacant and foreclosed properties undercut the value and attractiveness of the surrounding neighborhood.

Ms. Pemberton said the ISP program is a collaboration between the City/HRA and neighborhood organizations. Our housing problems are not going to be solved in a year or two, especially when unemployment is rising. For a sustained 5 to 10-year effort, the neighborhood groups need to be on board with ISP. Neighborhood organizations are on the frontlines of this issue; they provide the City with the most current information about changes in the status of property.

At this point there is no financing program available for the public sector to intervene in foreclosures on the front end. Staff has been waiting for the Federal Government to take action,

but no refinancing tool has emerged yet. Without funding, the HRA just has foreclosure prevention counseling. Foreclosure information is being sent out in water bills and tax statements. There is a call line for homeowners facing foreclosure. Foreclosure counselors give seminars and have weekly hours at libraries, district council offices, and recreation centers.

The City and HRA are left to deal with properties on the back end of the process—ones that are already in foreclosure and usually vacant. There are a lot of properties for sale and not enough buyers. So the HRA is buying some of the surplus inventory. Ms. Pemberton explained that vacant buildings are divided into three categories: Category 1 means the house is vacant; you basically can move into it, it is for sale. Category 2 means there are major code compliance items, the house gets a full team inspection, but it can be rehabbed. Category 3 means there is a question mark as to whether the house can be rehabbed or should be demolished. Also, the City initiated legal action against some of the lenders that the largest number of vacant properties in the city, to require proper maintenance. She passed around maps showing the locations of vacant and foreclosed properties.

Commissioner Smitten asked how commercial vacancies compare with residential vacancies.

Ms. Pemberton said commercial vacancies are still in the normal range; most of the vacant building list is residential.

Commissioner Ward asked if more investor-owned property is going into foreclosure, or more owner-occupied.

Ms. Pemberton said the foreclosures that started in 2006-2007 were mostly investor owned. But in 2007-2008, they are mostly homeowners, people who have lost their jobs or were hit with interest rate adjustments they can't afford. Next, she believes we could see foreclosures on the apartment complexes built in the 1960's. Their owners took out a lot of money when the values were high--money that did not go back into the properties.

Commissioner Bellus wanted to know what the path will be going forward. The Housing Comp Plan Task Force did an rough estimate of the cost, citywide, of bring all housing up to code. It was huge.

Ms. Pemberton replied that the City didn't have, until two years ago, an inspection program for single-family or duplex rentals. That's where the greatest deficiencies are found. It all comes down to sustained funding, and concentrating the funding in neighborhood target areas. But the Federal government has been cutting funding for years, and now the private sector won't lend money either. Nevertheless, as funding and financing begin to loosen up, the City will have an opportunity to restructure things and to be ready when the market does change.

IX. Task Force Reports

No reports

X. Old Business

None

XI. New Business

Commissioner Lu said that she is the Planning Commission's liaison to the Public Art Policy Plan and she would like the Commission to be aware that the Percent for Public Art Ordinance is likely to be introduced at City Council soon. Public Art Saint Paul has been working on it with the Mayor's staff and Councilmember Helgen. Generally, the ordinance calls for reserving one percent of CIB project budgets for public art, and for major redevelopment projects to include input from public artists. She expects the draft will be circulated to the City Council and the Council will set a public hearing, but she doesn't know quite when this will take place.

Larry Soderholm said if the Commission wished, the staff would look into the status of the public art ordinance and give an update at the next meeting. Chair Alton asked the staff to do this.

Commissioner Kramer reported that Commissioner Johnson and he attended a meeting about the 3M site redevelopment. He said there had been plans between the county and Port Authority to move 175 employees out of downtown over to the 3M site. But that idea fell apart. People wanted to know why the City is spending so much money planning the Ford site, which public agencies don't own, but doing so little public planning for the 3M site, where the Port Authority has a purchase agreement. He anticipated that PED and the Planning Commission may be asked to play a larger role in 2009.

XII. Adjournment

N	leeting	adj	ourned	at	10:08	a.m.
---	---------	-----	--------	----	-------	------

Recorded and prepared by Sonja Butler, Planning Commission Secretary Planning and Economic Development Department, City of Saint Paul

Respectfully submitted,	Approved		
	(Date)		
	_		
Larry Soderholm, AICP	Marilyn Porter		
Planning Administrator	Secretary of the Planning Commission		

Butler\Fleming\December 5, 2008